

FIG. 1

All information on this Web site is subject to applicable laws and regulations disseminated in the plan documents and other legal provisions. The material provided herein is for informational purposes only. If there is any discrepancy, the plan documents govern.

Universal My Site Site Settings Help
Manager Advisor Plan Deploy Manage Evaluate **Reward** Authoring Publishing Administration Reporting Powered by AUTHORIA

Awarding a bonus

All sources [v] [x]
Shelley Moore - Product Manager

Manager Advisor
 • Plan
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 • Manage
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Company philosophy

A competitive compensation program can enhance the company's ability to attract, motivate and retain the highest caliber talent. As performance is closely tied to compensation and other rewards, an effective bonus program recognizes employee contribution and encourages a high performance culture.

Related Information

- Understanding the compensation program — 26

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Policy snapshot

Our bonus plan is designed to motivate employees and reward individuals responsible for the overall success of the business.

Reviews are conducted semi-annually, in June and December. The associated bonuses are payable July 15th and December 15th.

The following criteria are used to determine whether a bonus is awarded:

- employee's individual performance against established goals
- the performance of the company as a whole
- relative performance contribution to the business (contribution level compared with peers and associates)
- the amount of bonus budget available to the department

Budget

- The salary committee determines the bonus budget.
- The bonus budget this year is 5% of base compensation.
- Senior management communicates the bonus budget to managers.
- Bonus recommendations should not exceed the budget for the department.

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Manager's role

It is your responsibility to:

- determine whether employees should receive a bonus award
- evaluate each employee fairly, based on clear, written objectives
- use the evaluation as a basis for bonus recommendations
- recommend bonus awards to Human Resources in a timely manner
- communicate the approved bonus award to each employee

Guidelines

- Keep bonus award recommendations within the budget for the department.
- Document performance successes and failures that may affect an employee's bonus.
- Provide performance feedback and explain the link between performance and bonus amounts.
- Ensure that your top performers are being rewarded appropriately.

Resources

- Compensation Philosophy Manual
- bonus policy

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Legal considerations

Clear and accurate communication of employee salary-related information, including increases and other rewards, must be conducted in a non-discriminatory manner. All compensation information must be treated as highly confidential

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Understanding the compensation program

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Company philosophy			
Effective compensation programs reward and encourage peak performance, enable the company to recruit and retain top performers and reduce turnover. Universal Dynamics is committed to investing in employees and to achieving the highest return on that investment. Recognizing and rewarding top performers who consistently add value to the organization provides that return and promotes a high-performance culture. Our compensation program is closely aligned with the business strategy and reinforces the company's commitment to success.			
Related information			
<ul style="list-style-type: none"> <input type="checkbox"/> Awarding a bonus <input type="checkbox"/> Conducting a performance review <input type="checkbox"/> Driving performance improvement <input type="checkbox"/> Giving a salary increase <input type="checkbox"/> Granting stock options <input type="checkbox"/> Bonus policy <input type="checkbox"/> Salary review policy <input type="checkbox"/> Stock options policy 			
Policy snapshot			
Compensation is an important management tool for the goals and vision of the company. The company has several compensation options available for managers to reward employees. When determining the best reward or combination of rewards for each employee, managers should consider the employee's: <ul style="list-style-type: none"> • performance • value to the business • role in the organization • current compensation 			
Budget			
<ul style="list-style-type: none"> • The salary committee determines the budget for salary increases and bonus awards and is responsible for communicating the information to managers by October 30th. • This year's increase is 5% of base compensation, as of January 1st. • Salary increase and bonus recommendations should not exceed the department budget 			
Base salary			
Base salary is compensation employees receive for performing their essential job functions. The company periodically evaluates base salary to be sure that it is in line with the marketplace and employees are being paid fairly. Managers must ensure that consistently high performers continue to move up in the salary range by receiving merit increases, typically on an annual basis.			
Merit increase			
Merit increases are performance-based rewards, typically awarded annually. They are not automatic or seniority-based. When considering merit increases, managers should carefully review each employee's performance compared to current base salary. Employees who consistently demonstrate high-quality work performance should receive increases, low or poor performers should receive small or no increases.			
Annual bonus			
Bonuses are paid to employees based on achievement of specific goals. Like merit increases, annual bonuses are not guaranteed. Employees must meet their target goals and objectives to be eligible.			
Bonuses provide an effective method for reinforcing a pay-for-performance culture. Since bonuses are designed to be motivational, employees should be provided quarterly updates regarding progress against established goals. Managers should ensure that their individual bonus pools are allocated appropriately to encourage, motivate and reward top performers.			
Spot bonus			
In addition to annual bonuses which recognize the year's accomplishments, bonuses can be awarded "on-the-spot" when an employee accomplishes something unique or outstanding. Spot bonuses provide an effective means of providing immediate recognition to employees who go above and beyond and accomplish a task that adds material value to the organization. A spot bonus is generally a cash award of \$500.00 or less. The presentation of the bonus should be personalized and the amount should reflect the level of achievement.			
Promotional increase			
Promotional increases recognize significant increases in job responsibilities. The increase is determined by the job grade for the new position and the placement of the employee's salary in the new range. An employee can be promoted at any time during the year. When determining the increase amount, managers should consider: <ul style="list-style-type: none"> • current base pay • time frame of the last increase • current salary for others in the same position 			
Stock options			
The goal of the stock option program is to encourage retention by providing employees with an ownership stake in the company and a potentially significant reward. A stock option award is appropriate for senior level employees who have a significant influence on business results. Managers should use stock options in conjunction to motivate and retain these employees as key contributors to the company's success.			
Gift certificate			
Gift certificates provide a quick and easy way to instantly recognize and reward employees who exceed expectations or accomplish goals outside their normal job responsibilities. Receiving this type of behavior encourages and motivates other employees to perform at a higher level. Gift certificates range from \$100.00 to \$300.00. Non-cash awards avoid the pricing or compensation and tax issues raised by the use of cash.			
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Manager's role			
It is your responsibility to: <ul style="list-style-type: none"> • know and understand the variety of compensation options available to reward, motivate and retain top performers • be aware of the philosophy behind each option and its intended performance result • support the company's pay-for-performance business strategy with prudent use of compensation options • discourage poor performance by denying salary increases and other rewards when performance is below standard 			
Guidelines			
<ul style="list-style-type: none"> • Ensure that employees fully understand all of the components of the compensation program, • Including the fact that merit increases and bonuses are earned, not guaranteed. • Consistently reward high performance. • Use the compensation option that is most appropriate for the situation. • Compensate all employees fairly and equitably. 			
Resources			
<ul style="list-style-type: none"> • Compensation Philosophy Manual • Salary Administration Strategy Document 			
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Legal considerations			
All decisions regarding employee compensation, including salary increases, bonuses and other rewards, must be made in a non-discriminatory manner. All compensation information must be treated as highly confidential.			
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<input type="checkbox"/> I have read this page and understand the content			
[Acknowledge]			

FIG. 3

FIG. 3

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Manager Advisor Plan Deploy Manage Evaluate Reward Authoring Publishing Administration Reporting
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Awarding a bonus - Actions
All sources
Shelley Moore - Product Manager

Manager Advisor

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Actions

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Highlights
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- Preparation

Milestones

In the table below, you will find a listing of critical milestones to meet as you award a bonus:

Milestones	Key dates
Human Resources conducts a bonus kick-off meeting.	November 3 and June 4
Distribute Self-assessment Form to all employees.	November 15 and June 15
Collect Self-assessment Forms.	November 20 and June 20
Complete a Goals Results Form for each employee.	November 20-25 and June 20-25
Submit initial bonus award recommendations to your department head and Human Resources for approval.	November 27 and June 28
Schedule a meeting with each employee to review performance and obtain a signed Goals Results Form.	December 1 and July 1
Communicate approved bonus awards to each employee.	December 15 and July 15
Bonuses are payable.	December 20 and July 20

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Tasks

When you award employees a bonus, you must:

- distribute to and collect from each employee a Self-assessment Form
- review employee performance as measured against goals
- complete a Goal Results Form for each employee
- submit initial recommendations to your department head and Human Resources to obtain approval for any proposed bonus awards
- schedule a meeting with each employee to review results
- provide Human Resources with the final Goal Results Form, signed by you and the employee
- communicate the approved bonus award to each employee

Determining the appropriate bonus amount

To determine the appropriate bonus amount for each employee, you should:

- measure the employee's progress against goals
- provide a percentage for "goal accomplished"
- calculate the total individual objective as a percentage
- compare the total individual objective percentage against the employee's bonus opportunity

Providing above average bonuses to top performers

If you feel that certain employees performed significantly better than others and deserve additional rewards, consider increasing their bonus award. To do this, you must:

- be sure the total bonus percentage is still within budget for your department
- obtain approval from your department head if the bonus is beyond the established range for an employee
- be prepared to document how the employee's performance and current responsibilities warrant the additional award

Providing no bonuses to poor performers

If you feel that certain employees did not perform up to standard, you may choose not to award them a bonus. Remember, bonuses are not guaranteed and are a reflection of an employee's performance. The decision not to award a bonus can be an appropriate and effective motivational tool.

If you do not award a bonus to an employee, be sure to:

- document the reasons why the employee should not receive a bonus (e.g., the employee is rated 2.5 or below)
- clearly explain what the employee needs to do going forward to improve performance
- enter zero dollars as a recommended bonus amount

To make bonus recommendations, use the Compensation management system.

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Preparation

To assist you in preparing for awarding a bonus, you may want to review:

- total compensation for each employee
- job grades and bonus opportunities
- annual budget

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FIG. 4

Universal Dynamics

Manager Advisor Home Plan Manage Deploy Evaluate Reward

Help
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Manager Advisor

- Plan
- Manage
- Deploy
- Evaluate
- Reward

Your direct reports

All sources
 Customer 02 - Director, Customer Operations

Your direct reports

Job Details

Employee ID	Name	Job Title	Performance Rating	Last Increase Date	Phone
EXTTcust04	Customer 04	Team Lead, CCE	Unsatisfactory	1/1/2004	
EXTTcust05	Customer 05	Team Lead, CCE	Exceeds Expectations	1/1/2004	

Vacation/Sick Time

Employee ID	Name	Personal Time	Vacation Time	Sick Time
EXTTcust04	Customer 04	11	17	19
EXTTcust05	Customer 05	20	22	34

Training Summary

Employee ID	Name	Training Course	Grade
EXTTcust04	Customer 04	Conflict resolution for customer service	Passed
EXTTcust05	Customer 05	Conflict resolution for customer service	Passed

FIG. 5

Universal Dynamics		My Site Site Settings Help	
Manager Advisor Plan Deploy Manage Evaluate Reward Authoring Publishing Administration Reporting Powered By AUTHORIA		<input type="text"/> This topic <input type="button" value="Go"/>	
Authoring 52 50 66			
Current Location ▼ Manager Advisor Authoring • Authoring Help Actions <input type="checkbox"/> Create Subarea <input type="checkbox"/> Change Settings <input type="checkbox"/> Manage Security <input type="checkbox"/> Manage Content <input type="checkbox"/> Manage Portal Site <input type="checkbox"/> Add to My Links <input type="checkbox"/> Alert Me <input type="checkbox"/> Edit Page	<div> <div> Maintain event content <div> <div> Aligning with corporate goals Assessing your current organization 56 Awarding a bonus Creating a career development plan Creating a performance improvement plan Conducting a performance review Creating a staffing plan Creating a succession plan Developing a salary plan Driving performance improvement Giving a salary increase Granting stock options Hiring an employee Identifying your optimum organization Managing a change in employee status Managing a complaint Managing a leave of absence Managing a reduction in force Managing a resignation Managing attendance Managing ongoing performance Managing the feedback process Onboarding an employee Promoting an employee Recruiting an employee Setting goals and objectives Staffing a position Terminating an employee Understanding the compensation program </div> </div> </div> </div> <div> <div>Maintain configuration 60</div> <div>Type Name</div> <div> <input type="checkbox"/> Contact roles <input type="checkbox"/> Employee groups <input type="checkbox"/> Event types <input type="checkbox"/> Links <input type="checkbox"/> Substitution variables <input type="checkbox"/> System variables </div> <div>Maintain home page content</div> <div>Type Name</div> <div> <input type="checkbox"/> Home page content </div> <div>Maintain index pages content</div> <div>Type Name</div> <div> <input type="checkbox"/> Index pages content </div> <div>Maintain employee summary page design</div> <div>Contacts</div> <div> Last Name First Name Business Phone E-mail Address There are no items to show in this view of the "Contacts" list. To create a new item, click "Add new item" below. <input type="button" value="Add new item"/> </div> <div>Maintain pictures</div> <div>Maintain resources</div> </div>		

FIG. 6

Universal Dynamics										My Site Site Settings Help <small>Powered By AUTHORIA</small>									
Manager Advisor		Plan		Deploy		Manage		Evaluate		Reward		Authoring		Publishing		Administration		Reporting	
<div style="float: left; width: 100px;"> </div> <div style="float: right; width: 100px;"> <input type="button" value="This topic"/> <input type="button" value="Help"/> </div> <div style="clear: both;"></div>																			
<i>Publishing</i> Current Location: ▼ Manager Advisor Publishing Actions										1. Choose what you want to publish <input type="radio"/> Publish All <input checked="" type="radio"/> Publish Specific items <div style="border: 1px solid black; padding: 5px;"> <input checked="" type="checkbox"/> Publish event content Choose an event type -ALL- Available events <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> Managing a reduction in force Promoting an employee Driving performance improvement Creating a staffing plan Creating a performance improvement plan Managing the feedback process Onboarding new employees Hiring an employee </div> <div style="margin-top: 5px;"> <input type="button" value="Up"/> <input type="button" value="Down"/> <input type="button" value="Left"/> <input type="button" value="Right"/> </div> </div> <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> Selected events Managing a resignation Giving a salary increase Terminating an employee Granting stock options Conducting a performance review Managing a change in employee status Developing a salary plan </div>									
2. Choose where you want to publish <input checked="" type="radio"/> Authoring Preview (Server = http://evo-2k3-zb791; Area = /) <input type="radio"/> Staging Production (Server = Value not specified; Area = Value not specified)										3. Get Publishing Status <div style="border: 1px solid black; padding: 5px; text-align: center;"> 68 <input type="button" value="Publish"/> 70 <input type="button" value="Get Status"/> </div>									

FIG. 7

Universal Dynamics		My Site Site Settings Help Powered By AUTHORIA	
Manager Advisor Plan Deploy Manage Evaluate Reward Authoring Publishing Administration Reporting		This topic	
Administration		80	
<div style="border: 1px solid black; padding: 2px;"> Current Location ▼ Manager Advisor Administration </div> <div style="border: 1px solid black; padding: 2px;"> Actions <input type="checkbox"/> Add Listing <input type="checkbox"/> Add Person <input type="checkbox"/> Create Subarea <input type="checkbox"/> Upload Document </div> <div style="border: 1px solid black; padding: 2px;"> <input type="checkbox"/> Change Settings <input type="checkbox"/> Manage Security <input type="checkbox"/> Manage Content <input type="checkbox"/> Manage Portal Site <input type="checkbox"/> Add to My Links <input type="checkbox"/> Alert Me <input type="checkbox"/> Edit Page </div>		<div style="border: 1px solid black; padding: 2px;"> SharePoint administration links <input type="checkbox"/> Manage users <input type="checkbox"/> Manage site groups <input type="checkbox"/> Change portal site properties <input type="checkbox"/> Manage portal site structure <input type="checkbox"/> Configure search and indexing <input type="checkbox"/> Configure usage analysis processing <input type="checkbox"/> Add new link </div> <div style="border: 1px solid black; padding: 2px;"> Authoria Manager Advisor administration links <input type="checkbox"/> Implementation configuration <input type="checkbox"/> Application settings <input type="checkbox"/> Trace settings and log <input type="checkbox"/> Employee summary schema generator <input type="checkbox"/> Compliance tracking reset <input type="checkbox"/> Cache refresh <input type="checkbox"/> Authoria customer connection </div>	

FIG. 8

PlanDeployManageEvaluateRewardAuthoringPublishingAdministrationReporting

My Site Site Settings Help

Manager Advisor

Reporting

Compliance report

Current Location

Manager Advisor

Reporting

Compliance report

Actions

Create Subarea

Change Settings

Manage Security

Manage Content

Manage Portal Site

Add to My Links

Alert Me

Edit Page

Reporting

This topic

Compliance report

This report lists the events for which compliance is required and specifies which managers have acknowledged reading the event content.

Event Name	Viewer Name	Viewer ID	Time Acknowledged
Creating a staffing plan	Ken Hecht	781530208	3/23/2004 2:38:49 PM
			Total : 1
Managing a leave of absence	Ryan Smith	781530207	3/23/2004 2:38:08 PM
			Total : 1

FIG. 9

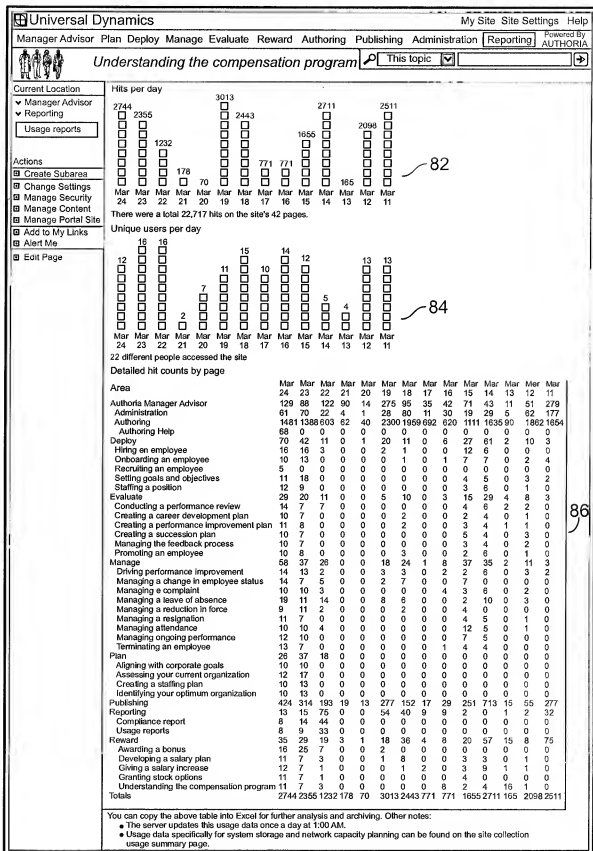


FIG. 10

Substitution variables			Help
Substitution variables overview			
A substitution variable can be used to substitute a value for another value in content that appears on pages. When configuring content, you can use brackets to delineate a variable whose value should be determined using this form. For example, if (employee) is used in content, the system will look for a variable ID named "employee" (case sensitive), and substitute the term in the "Value" column.			
Variable id	Description	Value	
▼ Company	Substitution variable for the word Company	Company	
Companies	Substitution variable for the word Companies	Companies	
Company's	Substitution variable for the word Company's	Company's	
company	Substitution variable for the word company	company	
companies	Substitution variable for the word companies	companies	
company's	Substitution variable for the word company's	company's	
Company name	Substitution variable for the word Universal Dynamics	Universal Dynamics	
Company name's	Substitution variable for the phrase a company's	Universal Dynamics'	
a company	Substitution variable for the word Department	a company	
Department	Substitution variable for the word Departments	Department	
Departments	Substitution variable for the word Departments'	Departments	
Departments'	Substitution variable for the word Departmental	Departments'	
Department's	Substitution variable for the word department	Departmental	
Departmental	Substitution variable for the word departments	department	
department	Substitution variable for the word department's	departments	
departments	Substitution variable for the word departments'	department's	
department's	Substitution variable for the word departmental	departmental	
departmental	Substitution variable for the phrase a departmental	a departmental	
a departmental	Substitution variable for the word Employee	Employee	
Employee	Substitution variable for the word Employees	Employees	
Employee's	Substitution variable for the word Employee's	Employee's	
employee	Substitution variable for the word employee	employee	
employees	Substitution variable for the word employees	employees	
employee's	Substitution variable for the word employee's	employee's	
employees'	Substitution variable for the phrase An employee	employees'	
An employee	Substitution variable for the phrase an employee	An employee	
an employee's	Substitution variable for the phrase an employee's	an employee's	
Career management system	Substitution variable for the phrase Career management system	Career management system	
Compensation management system	Substitution variable for the phrase Compensation management system	Compensation management system	
Human Resources management system	Substitution variable for the phrase Human Resources management system	Human Resources management system	
Performance management system	Substitution variable for the phrase Performance management system	Performance management system	
Staffing management system	Substitution variable for the phrase Staffing management system	Staffing management system	
Time and absence management system	Substitution variable for the phrase Time and absence management system	Time and absence management system	
Highlights	Substitution variable for the text of the Highlights tab	Highlights	
Actions	Substitution variable for the text of the Actions tab	Actions	
Tips	Substitution variable for the text of the Tips tab	Tips	
Company philosophy	Substitution variable for the text of the Company philosophy section header	Company philosophy	
Policy snapshot	Substitution variable for the text of the Policy snapshot section header	Policy snapshot	
Manager's role	Substitution variable for the text of the Manager's role section header	Manager's role	
Legal considerations	Substitution variable for the text of the Legal considerations section header	Legal considerations	
Preparation	Substitution variable for the text of the Preparation section header	Preparation	
Milestones	Substitution variable for the text of the Milestones section header	Milestones	
Tools	Substitution variable for the text of the Tools section header	Tools	
Tasks	Substitution variable for the text of the Tasks section header	Tasks	

FIG. 11

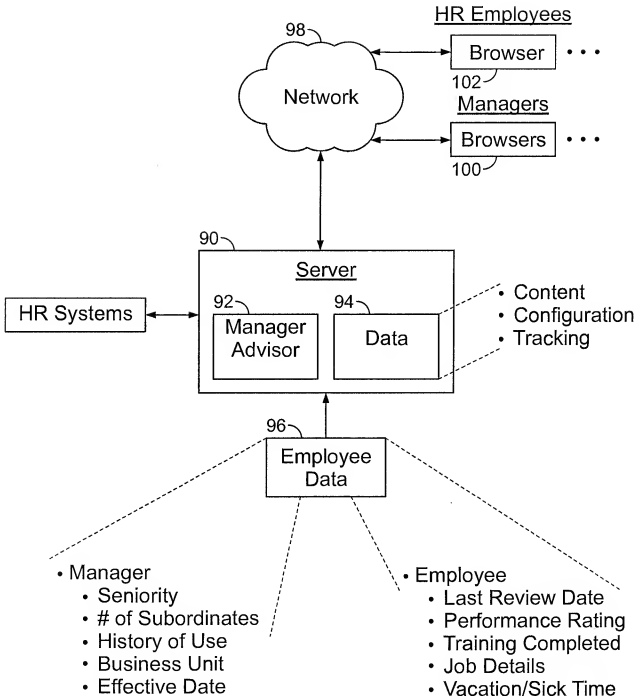


FIG. 12